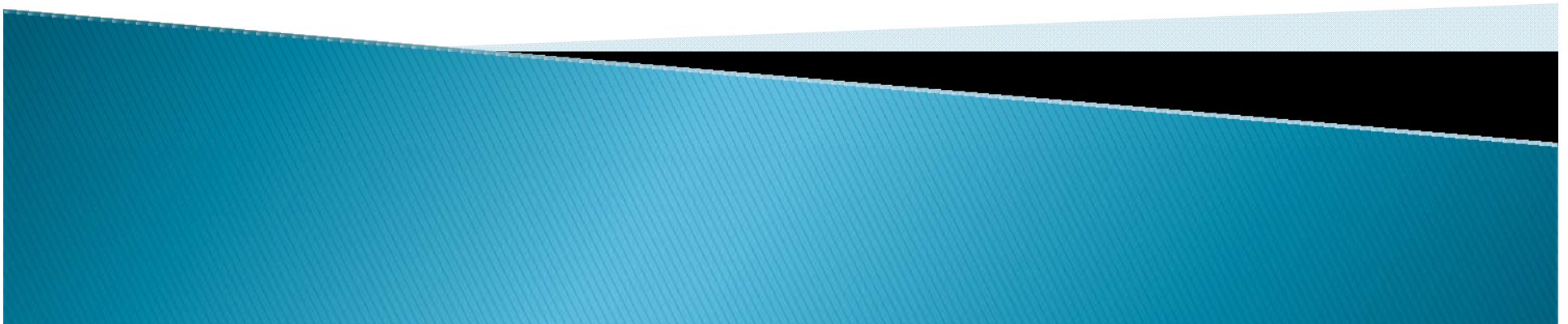


CITY OF BRIDGEPORT FINANCIAL REPORT

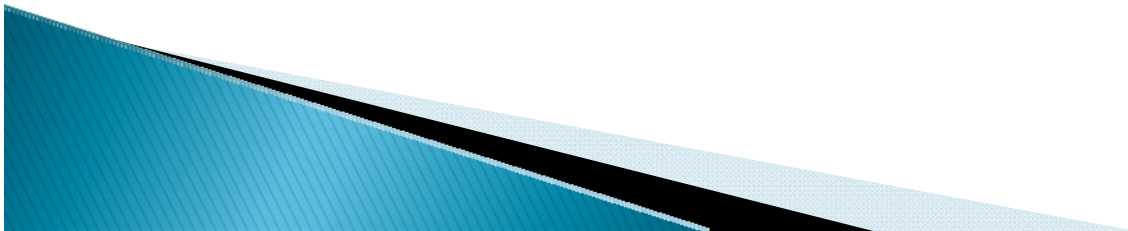
FY 2015 – 16

As of December 16, 2015

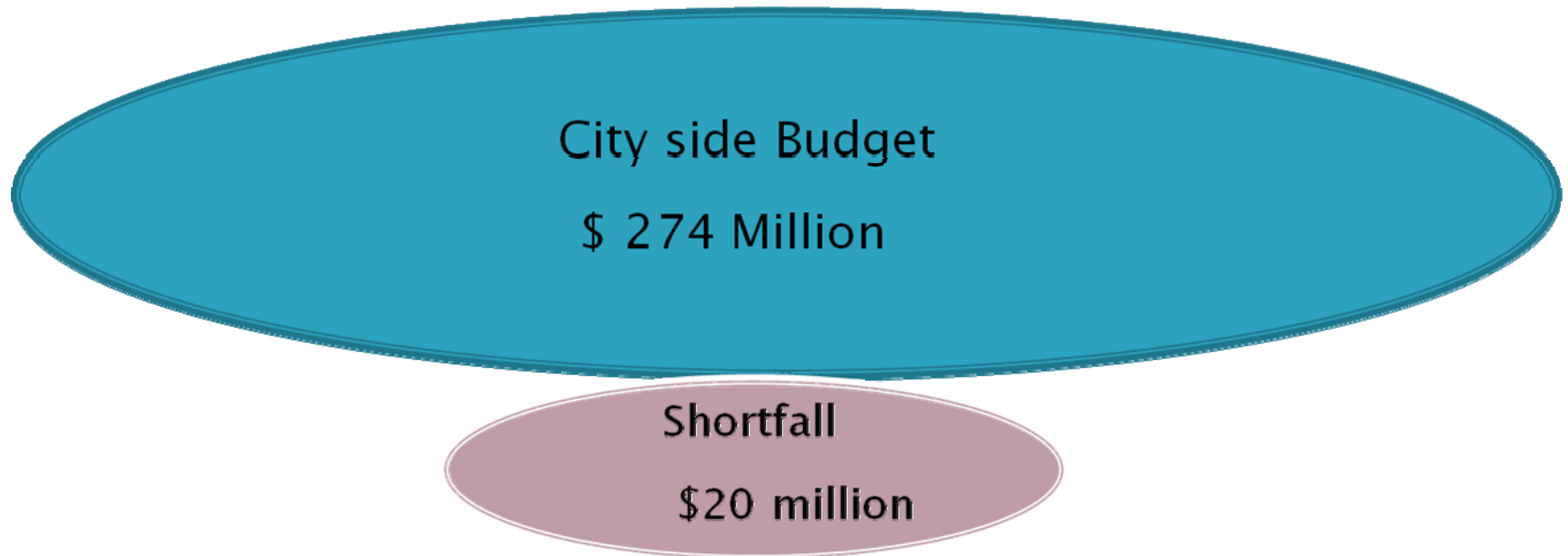


FY 2015-16 Year End Forecast

- ▶ Summary of Inherited Fiscal Problems
- ▶ Total Revenue Shortfalls: \$5,605,000
- ▶ Total Expense Shortfalls: \$14,450,000
- ▶ **TOTAL BUDGET SHORTFALL: \$20,055,000**

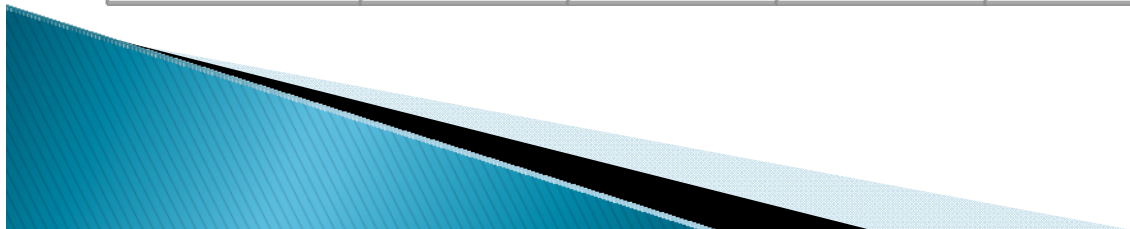
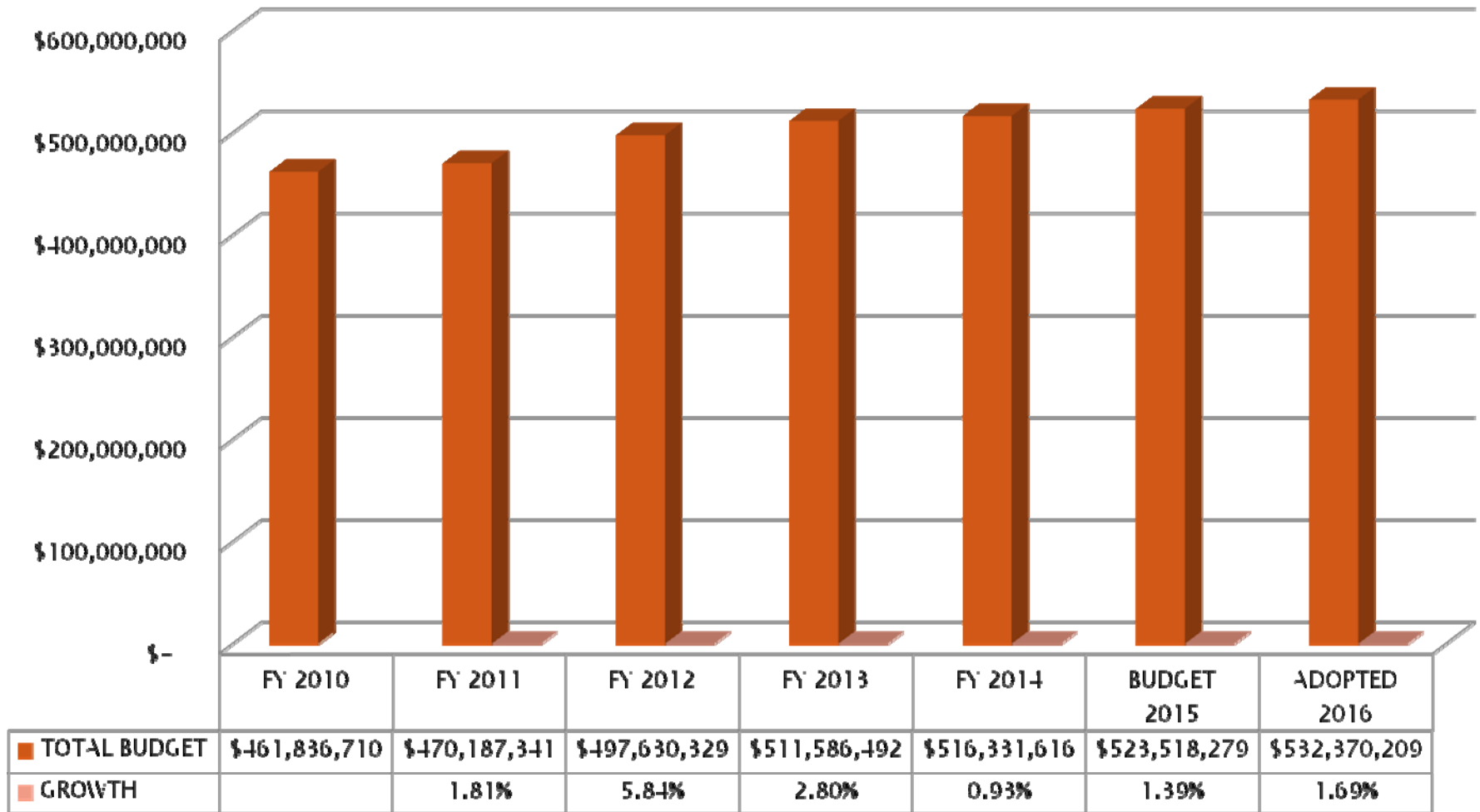


Budget Picture In Total

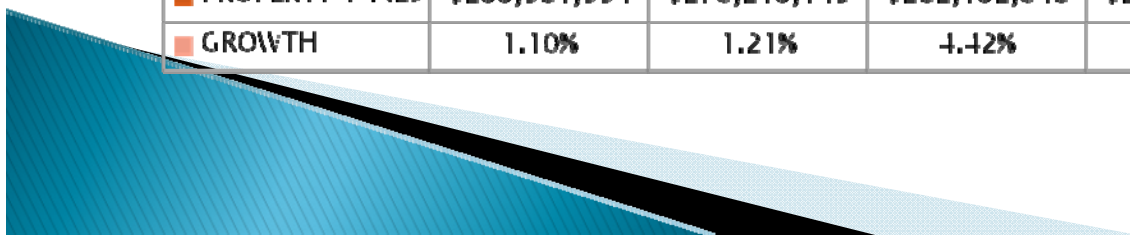
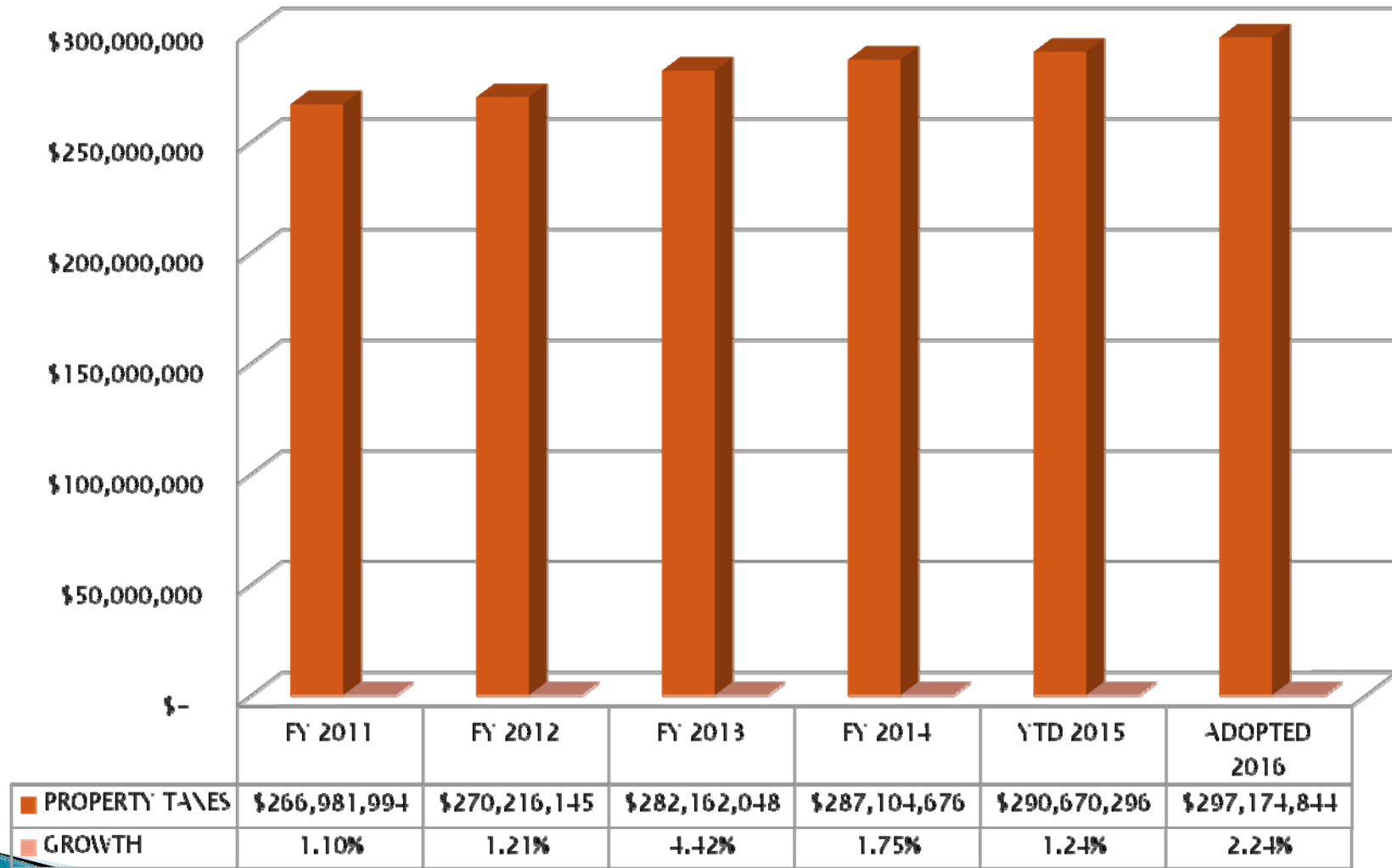


The annual shortfall is 8 % of the annual budget, and 15 % of 6 months remaining expenditures.

Budget Growth 2011–2016

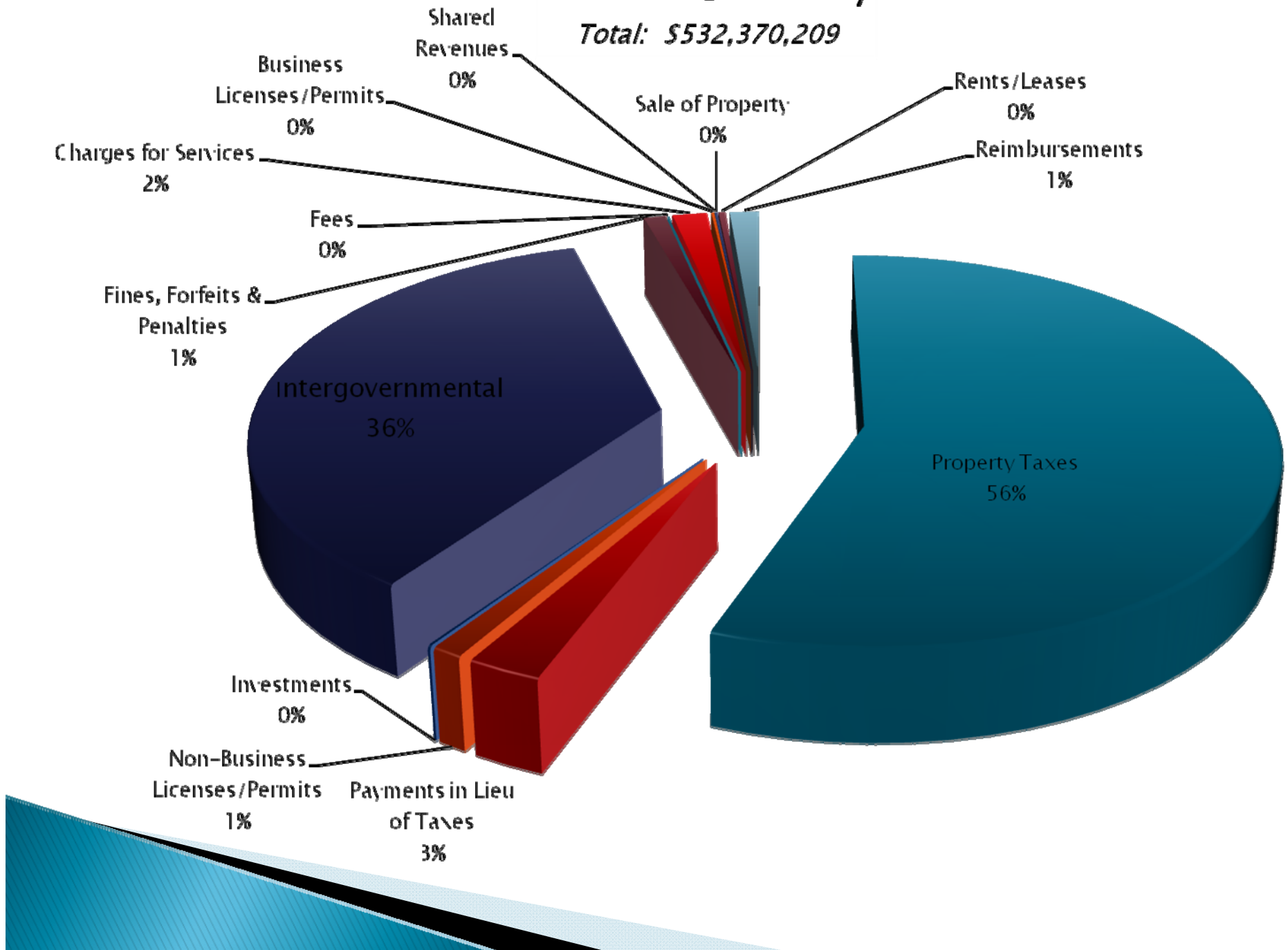


Property Taxes 2011-2016



Revenue Summary

Total: \$532,370,209



FY15–16 Year End Forecast Projection

FY 2015–16 Revenues:

- ▶ Budget overstated Revenues by \$5.6 million

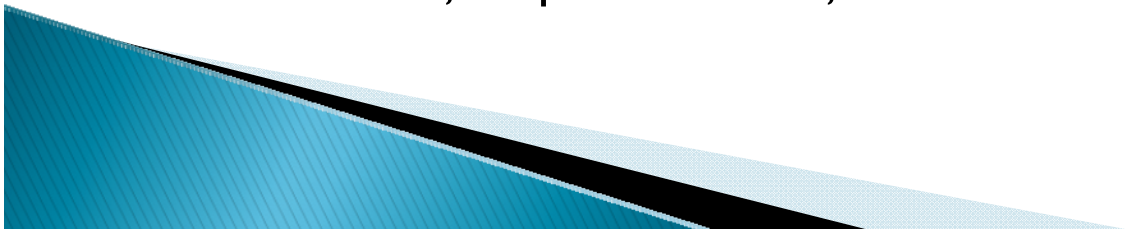
FY 2015–16 Expenditures:

- ▶ Budget held no reserve funds for contract Raises Shortfall retro raises paid Nov 30 totaled \$2.4 million;
- ▶ Budget omitted \$8.7 million in Pension pymts due (2014 Letters to City disclosed large CT MERF payments due FY 2015–16);
- ▶ **Budget Understated Compensation \$6.7 million**
City ignored prior yr. cost of Dept. Overtime etc;
- ▶ Budget Contingency/Other savings Offsets = \$3.3 million.



Revenue Problems – Details

- ▶ Overstated Budget Items:
- ▶ Arrears tax budgets – \$2.7 million inflated;
- ▶ State Aid errors in budget – \$1.4 million;
- ▶ Outside Overtime rev. shortfall – \$1.0 million;
- ▶ Rent Non-payments – \$520,000 in FY15–16
The Arena, Captains Cove, Harbor Yard owe City 2013–2015.



Expenditure Problems – Details

- ▶ Retro Pay Raises NOT BUDGETED –\$2.4 million;
- ▶ Overtime Spending well beyond anticipated
Budget: –\$5.5 million projected net of all staff
position vacancies for FY15–16;
- ▶ Pension Pymts NOT budgeted: –\$8.7 million;
- ▶ Payouts/Other Compensation Short – \$2.7 million;

*Shortfalls use all Contingency/current savings.



CITY OF BRIDGEPORT

**FISCAL YEAR 2015-2016
Significant Budget Issues**

Budget Large Variances

Short (over)

REVENUES

Arrears Taxes(Arrears+Penalties)	-2,720,000	Underbudgeted/unrealistic assumptions
State Aid -Manuf PILOT	-890,000	double budgeted/not funded by the State
State Aid -Univ/Hosp PILOT cuts	-475,000	mid year recission/State pilot reduction
Outside Overtime -PD	-1,000,000	Net revenue overstated
Rent from Arena/HarborYd+Cove	-520,000	not Paying Rent
Total Revenues Shortfall/Concerns	-\$5,605,000	

EXPENDITURES

Retro pay raises+ 7months pay Impact	-2,400,000	not budgeted
Overtime Shortfalls -PD & Fire&EOC	-9,000,000	underbudgeted/higher spending rate
Public Fac/Other Overtime Expenses	-1,000,000	underbudgeted
Payroll Payouts-Vac/Sick/Hol	-2,200,000	underbudgeted
Pension STATE MERS/MERF	-8,700,000	not budgeted/underbudgeted
Medicare	-500,000	underbudgeted
Regular Payroll Savings	4,500,000	city wide vacancies
Debt Service Savings	1,100,000	Due to prior yr. Debt Refinancing
City Wide Operating Accounts Savings	750,000	Net Citywide operating account savings
City Wide Contingency Savings	1,500,000	Will not spend/Freeze spending
City Wide Health Insur. Savings	1,500,000	Due to Vacancies/Re-org of departments
Total Exp. Shortfall/Concerns	-14,450,000	

TOTAL FY2016 PROJECTED SHORTFALLS: -20,055,000 **Assumes B.O.E will pay City \$2.3m**

Note: The Year End projected shortfall assumes B.O.E Paying for the City 2.3m at year end.